

THE CHURCH OF JESUS CHRIST
OF LATTER-DAY SAINTS
(LDS SOCIAL SERVICES)

FINANCIAL STATEMENTS

31 DECEMBER 1993

(Registered Number: 1346482)



Baker Tilly
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham B3 3HN

DIRECTORS AND OFFICERS

DIRECTORS

A K Broadway
R J Mawle
W C Reeves

SECRETARY

A K Broadway

REGISTERED OFFICE

751 Warwick Road
Solihull
West Midlands
B91 3DQ

AUDITORS

Baker Tilly
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham
B3 3HN

BANKERS

Midland Bank plc

DIRECTORS' REPORT

The directors submit their report and the financial statements of The Church of Jesus Christ of Latter-Day Saints (LDS Social Services) for the year ended 31 December 1993.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activities of the company are to arrange for the adoption and fostering of children and the provision of counselling services. No change is envisaged in the future.

RESULTS AND DIVIDENDS

The expenditure for the year has been met by a subsidy from the Church of Jesus Christ of Latter-Day Saints (Social Services), a company incorporated in the United States of America.

The directors do not recommend the payment of a dividend.

DIRECTORS

The following directors have held office since 31 December 1992:

A K Broadway
R J Mawle
W G Reeves

R J Mawle retires by rotation and, being eligible, offers himself for re-election.

DIRECTORS' INTERESTS IN SHARES

None of the directors had, at any time during the year, a beneficial interest in the share capital of the company.

FIXED ASSETS

The changes in fixed assets during the year are explained in note 3 to the financial statements.

AUDITORS

A resolution to re-appoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the Board

A K Broadway
A K Broadway

Secretary

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF
FINANCIAL STATEMENTS
for the year ended 31 December 1993

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF
THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (LDS SOCIAL SERVICES)

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1993 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

BAKER TILLY

Registered Auditor
Chartered Accountants
Scottish Life House
154 Great Charles Street
Birmingham B3 3HN

8 December 1994

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 1993

	Notes	1993	1992
TURNOVER		8,404	3,424
Administrative expenses		175,415	155,574
Loss on sale of fixed assets		105	535
OPERATING DEFICIT	1	(167,116)	(152,685)
Subsidy from parent company		167,116	152,685
Surplus for the financial year		-	-
Retained reserves brought forward		-	-
RETAINED RESERVES CARRIED FORWARD	£	-	£ -

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure Account.

BALANCE SHEET
31 December 1993

	Notes	1993	1992
FIXED ASSETS			
Tangible assets	3	27,317	13,954
		<u> </u>	<u> </u>
CURRENT ASSETS			
Debtors	4	7,576	45,395
Cash at bank and in hand		16,825	425
		<u> </u>	<u> </u>
		24,401	45,820
		<u> </u>	<u> </u>
CREDITORS Amounts falling due within one year	5	51,618	59,674
		<u> </u>	<u> </u>
NET CURRENT LIABILITIES		(27,217)	(13,854)
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 100	£ 100
		<u> </u>	<u> </u>
CAPITAL AND RESERVES			
Called up share capital	6	£ 100	£ 100
		<u> </u>	<u> </u>

Approved by the board on

W G Reeves - Director

CASH FLOW STATEMENT
For the year ended 31 December 1993

	Notes	1993	1992
NET CASH FLOW FROM OPERATING ACTIVITIES	8	(89,243)	(180,311)
INVESTING ACTIVITIES			
Purchase of fixed assets		(33,634)	(7,099)
Sale of fixed assets		7,300	1,500
NET CASH FLOW FROM INVESTING ACTIVITIES		(26,334)	(5,599)
NET CASH OUTFLOW BEFORE FINANCING		(115,577)	(185,910)
FINANCING			
Receipts from Group undertakings		167,116	152,685
NET CASH INFLOW FROM FINANCING		167,116	152,685
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		£ 51,539	£ (33,225)

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

ACCOUNTING CONCEPT

The company's basis of accounting is that income is recorded on a cash basis. Expenditure is also recorded on a cash basis but modified for certain items of accrued expenditure. The effect of not preparing financial statements on the accruals basis is not considered by the directors to be material.

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Motor vehicles

25%

TURNOVER

Turnover represents the amount received for services provided. The directors consider that an analysis of the turnover by class of business and geographical area is not appropriate.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 1993

	1993	1992
1. OPERATING DEFICIT		
This is stated after charging:-		
Directors' remuneration	-	13,256
Depreciation on owned assets	12,866	9,497
Auditors remuneration	1,500	1,500

2. EMPLOYEES

	No.	No.
The average weekly number of persons (including directors) employed by the company during the year was:		
Counsellors	4	4
Office staff	2	2
	<u>6</u>	<u>6</u>

Staff costs for the above persons:

Salaries and wages	101,277	96,896
Social security costs	8,812	7,636
Other pension costs	10,470	9,710

£ 120,559	£ 114,242
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DIRECTORS' REMUNERATION

Other emoluments (including pension contributions) other than fees	£ -	£ 14,580
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The directors' fees and other emoluments
disclosed above (excluding pension
contributions) includes amounts paid to:

The chairman	£ -	£ -
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The highest paid director	£ -	£ 13,256
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The number of other directors who
received emoluments (excluding pension
contributions) in the following ranges was:

£0 - £5000	No	No
	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 1993

3. TANGIBLE FIXED ASSETS

	Motor vehicles	
Cost:		
At 1 January 1993		35,620
Additions		33,634
Disposal		(17,788)
At 31 December 1993		<u>51,466</u>
Depreciation:		
At 1 January 1993		21,666
Charge for the year		12,866
Disposal		(10,383)
At 31 December 1993		<u>24,149</u>
Net Book Value:		
At 31 December 1993	£	<u>27,317</u>
At 31 December 1992	£	<u>13,954</u>

	1993	1992
4. DEBTORS		
Sundry debtors	£ 7,576	£ 45,395

5. CREDITORS

Amounts falling due within one year:		
Bank overdraft	-	35,139
Sundry creditor	51,618	24,535
	<u>£ 51,618</u>	<u>£ 59,674</u>

6. SHARE CAPITAL

Authorised:		
100 ordinary shares of £1 each	£ 100	£ 100
Allotted, called up and fully paid:		
100 ordinary shares of £1 each	£ 100	£ 100

7. ULTIMATE HOLDING COMPANY

The company is owned by the Church of Jesus Christ of Latter Day Saints (LDS Social Services), a company incorporated in the United States of America. Assurances of continued financial support have been received from this company.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 1993

8. CASH FLOWS

a. Reconciliation of Operating Deficit to Net Outflow from Operating Activities.

	1993	1992
Operating deficit	(167,116)	(152,685)
Depreciation	12,866	9,497
Loss on sale of fixed assets	105	535
Decrease/(increase) in debtors	37,819	(45,530)
Increase in creditors	27,083	7,872
	<u>£ (89,243)</u>	<u>£ (180,311)</u>

b. Analysis of changes in cash equivalents during the year.

Balance at 1 January 1993	(34,714)
Net cash inflow	51,539
Balance at 31 December 1993	<u>£ 16,825</u>

c. Analysis of balances of cash and cash equivalents as shown in the Balance Sheet.

	1993	1992	Change in year
Cash at bank and in hand	16,825	425	16,400
Bank overdraft	-	(35,139)	35,139
	<u>£ (16,825)</u>	<u>£ (34,714)</u>	<u>£ 51,539</u>

9. PENSION COSTS